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ART UNIT	PAPER NUMBER
3628	

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Please find below and/or attached an Office communication concerning this application or proceeding.

	Application No.	Applicant(s)
Office Action Summary	09/885,817	YOUNG, SHAYNE
	Examiner	Art Unit	
	Jennifer Liversedge	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE _3_ MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on _19 June 2001_.

2a) ☐ This action is **FINAL**.   2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) _1-71_ is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) _1-71_ is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☒ The drawing(s) filed on _19 June 2001_ is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All   b) ☐ Some * c) ☐ None of:

      1. ☐ Certified copies of the priority documents have been received.

      2. ☐ Certified copies of the priority documents have been received in Application No. _____.

      3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
    Paper No(s)/Mail Date 4/9/2002, 11/25/2002, 5/28/2003

4) ☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application (PTO-152)

6) ☐ Other: _____.

DETAILED ACTION

Drawings

The drawings are objected to as failing to comply with 37 CFR 1.84(p)(5) because they do not include the following reference sign(s) mentioned in the description: reference number for item 680 on page 17, line 21 is missing from Figure 6. Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

Claim Objections

Claims 29-30 and 59-60 are objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form. A proper dependent claim shall not conceivably be infringed by anything which would not also infringe the basic claim. See MPEP § 608.01(n), Section III. However, the depending

claims 29-30 and 59-60 recite "a computer system configured to carry out the method of

claim 1 (31)" and "a carrier medium comprising program instructions executable to

implement the method of claim 1 (31)." Applying the infringement test, what is needed

to infringe claims 29-30 and 59-60 is a computer system and a carrier medium, such as

a disk with computer instructions for receiving and transferring securities. However,

such a computer system disk would not infringe the method steps of claims 1 and 31.

As a result, claims 29-30 and 59-60 are improper dependent claims.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 61-64, 66 and 69-71 are rejected under 35 U.S.C. 102(e) as being

anticipated by Pub No. US 2003/0046218 A1 to Albanese et al. (further referred to as

Albanese).

Regarding claim 61, Albanese discloses a system configured to implement a

forward conversion strategy (page 3, paragraphs 26-30) comprising:

A first computer system coupled to a network, the first computer system comprising (a) a memory configured to receive security orders from a user interface, and (b) a display system configured to display the received securities orders in a securities display format, wherein the securities orders affect the securities display format (page 5, paragraph 50 – page 6, paragraph 60);

Wherein the first computer system is configured to automatically transfer the received securities orders for subsequent execution of the securities orders (page 5, paragraph 50 – page 6, paragraph 60); and

Wherein the first computer system or a second computing system is further configured to receive execution completion information from the network and to display the execution completion information in the securities display format (page 5, paragraph 50 – page 6, paragraph 60).

Regarding claims 62 and 63, Albanese discloses the system wherein the first computer system is further configured to automatically transfer the received securities orders in real-time (page 3, paragraphs 24 and 28-29) and within thirty minutes of receiving the securities as real-time is within 30 minutes such that 30 minutes is actually a delay.

Regarding claim 64, Albanese discloses the system wherein the first computer system is further configured to automatically update the securities display format with execution completion information in real-time (page 5, paragraph 50 – page 6,

paragraph 60) and within thirty minutes of execution completion as real-time is within 30 minutes such that 30 minutes is actually a delay.

Regarding claim 66, Albanese discloses the system wherein the security orders for at least one security comprise a long stock order, a long put order, and a short call order (page 2, paragraph 14; page 3, paragraphs 24-30).

Regarding claim 69, Albanese discloses a carrier medium comprising program instructions (page 6, paragraph 60), wherein the program instructions are executable to implement:

Collecting security order data from a user interface for at least one security, wherein the security order data comprises a long stock order, a long put order, and a short call order (page 2, paragraph 14; page 3, paragraphs 24-30).

Automatically transmitting the security order data from a first entity to a second entity for execution of the securities orders (page 5, paragraph 50).

Regarding claims 70-71, Albanese discloses the carrier medium wherein the securities orders are automatically transmitted in real-time (page 3, paragraphs 24 and 28-29) and within thirty minutes as real-time is within 30 minutes such that 30 minutes is actually a delay.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

The factual inquiries set forth in *Graham* **v.** *John Deere Co.*, 383 U.S. 1, 148

USPQ 459 (1966), that are applied for establishing a background for determining

obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claims 1, 13-18 and 27 are rejected under 35 U.S.C. 103(a) as being

unpatentable over the Applicant's own admitted prior art (see the specification, page 2,

line 30 - page 3, lines 4-16.

Regarding claim 1, the Applicant's own admitted prior art discloses a method for

implementing a forward conversion strategy (page 3, line 4), the method comprising:

Receiving securities orders for at least one security, wherein the securities orders

comprise a long stock order, a long put order, and a short call order (page 3, lines 4-6);

and

Transferring the received securities orders from a first entity to a second entity for
execution of the securities orders (page 3, lines 9-16).

The Applicant's own admitted prior art does not disclose where the method is
computer-implemented for automatically transferring securities. However, it would have
been obvious to a person of ordinary skill in the art at the time the invention was made
to have automated the forward conversion strategy because it would have created a
more efficient electronic method of trading, which was known, and the end result would
have been the same as compared to the manual method. *In re Venner, 262 F.2d 91, 95,
1209 USPQ 193, 194 (CCPA 1958).*

Regarding claim 13, the Applicant's own admitted prior art discloses the method
wherein transferring the received securities orders further comprises:

Transferring the received securities orders from the first entity to one or more
intermediate entities; and transferring the received securities orders from the one or
more intermediate entities to the second entity for execution of the securities orders
(page 3, lines 9-16).

The Applicant's own admitted prior art does not disclose where the method is
automatic for transferring securities. However, it would have been obvious to a person
of ordinary skill in the art at the time the invention was made to have automated the
transferring of securities orders because it would have created a more efficient
electronic method of trading, which was known, and the end result would have been the

same as compared to the manual method. *In re Venner, 262 F.2d 91, 95, 1209 USPQ 193, 194 (CCPA 1958).*

Regarding claims 14-16, the Applicant's own admitted prior art discloses the method wherein the one or more intermediate entities comprise a broker and wherein the first entity comprises a trader and wherein the second entity comprises a dealer on a floor of an exchange (page 3, lines 11-16).

Regarding claims 17 and 18, the Applicant's own admitted prior art discloses the method wherein the exchange comprises a stock exchange and an options exchange (page 2, line 30-page 3, line 16) in which both securities and options are being traded.

Regarding claim 27, the Applicant's own admitted prior art discloses the method wherein the order are received and transferred (page 3, lines 4-16).

The Applicant's own admitted prior art does not disclose where the method is electronically transferring securities. However, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to have automated through electronic means the transferring of securities orders because it would have created a more efficient electronic method of trading, which was known, and the end result would have been the same as compared to the manual method. *In re Venner, 262 F.2d 91, 95, 1209 USPQ 193, 194 (CCPA 1958).*

Claims 2-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Applicant's admitted prior art as applied to claim 1 above, and further in view of Pub No.

US 2003/0046218 A1 to Albanese et al. (further referred to as Albanese).

Regarding claims 2-3, Applicant's admitted prior art does not disclose the method

wherein the securities orders are received electronically from a single computer driven

input screen in real time. However, Albanese discloses the method wherein the

securities orders are received electronically from a computer driven input screen (page

5, paragraph 50) in real-time (page 3, paragraphs 24 and 28-29).

Albanese does not disclose a single computer screen, however, it would be

obvious to one of ordinary skill in the art that inputs could be received on any number of

computer screens, including one. It would be obvious to one of ordinary skill in the art

to combine the electronic receipt of securities orders as disclosed by Albanese with the

forward conversion strategy for trading as disclosed by the Applicant. The motivation

would be to create a more efficient real-time electronic method of trading with the same

end result as compared to the manual method.

Regarding claim 4, Applicant's admitted prior art does not disclose the method

wherein the automatic transferring of the received securities orders occurs within thirty

minutes of receiving the securities order. However, Albanese discloses the method

wherein the automatic transferring of the received securities orders occurs within thirty

minutes of receiving the securities order (page 3, paragraphs 24 and 28-29) where real-

time is within 30 minutes. It would be obvious to one of ordinary skill in the art to combine transfer within 30 minutes as disclosed by Albanese with the forward conversion strategy for trading and real-time trading as disclosed by the. The motivation would be that to maintain and implement a real-time trading system, transfers and updates would need to be done in real-time, certainly within 30 minutes, in order to actually be a real-time trading system. A delay would invalidate the system as a real-time trading system.

Regarding claims 5-7, Applicant's admitted prior art does not disclose the method wherein the securities orders are received in a computer system, the method further comprising storing the securities in a memory coupled to the computer system; storing the securities orders in a memory coupled to the first computer system or in a memory coupled to a second computer system, and wherein the second computer system is coupled to the first computer system over a computer network; the network comprising the Internet.

However, Albanese discloses the method wherein the securities orders are received in a computer system, the method further comprising storing the securities in a memory coupled to the computer system; storing the securities orders in a memory coupled to the first computer system or in a memory coupled to a second computer system, and wherein the second computer system is coupled to the first computer system over a computer network (page 5, paragraph 50; page 6, paragraph 59).

It would be obvious to one of ordinary skill in the art to implement storage devices for storing trades amongst computers in a network with the Internet as disclosed by Albanese with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be to create a more efficient real-time electronic method of trading with the same end result as compared to the manual method, in which computer memory devices are used to store inputted trades conducted over a network with the Internet.

Claims 8-12 are rejected under 35 U.S.C. 103(a) as being unpatentable over Applicant's admitted prior art as applied to claim 1 above, and further in view of Pub. No. US 2002/0128952 A1 to Melkomian et al. (further referred to as Melkomian).

Regarding claims 8 and 9, Applicant's admitted prior art does not disclose the method further comprising automatically updating the securities orders upon execution of the securities orders and displaying the updates on a computer screen. However, Melkomian discloses the method further comprising automatically updating the securities orders upon execution of the securities orders and displaying the updates on a computer screen (page 5, paragraph 68; paragraphs 136 and 138). It would be obvious to one of ordinary skill in the art to combine the updating of orders upon execution and displaying the updates as disclosed by Melkomian with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be that when the order is executed, updates to the order showing the order is filled, adding

fees for processing the order, etc. would need to be added to the order and account and to be viewable by all parties involved.

Regarding claims 10-12, Applicant's admitted prior art does not disclose the method wherein the second entity automatically updates the securities orders, and further comprising transmitting the updated securities order to one or more post-execution entities, where in the one or more post-execution entities comprise a clearing firm. However, Melkomian discloses the method wherein the second entity automatically updates the securities orders, and further comprising transmitting the updated securities order to one or more post-execution entities, where in the one or more post-execution entities comprise a clearing firm (page 5, paragraphs 68-70). It would be obvious to one of ordinary skill in the art to combine a second entity updating and transmitting the order to a clearing house as disclosed by Melkomian with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be that orders are processed through clearing firms and as part of the electronic trading system, would automatically be transmitted for processing following the execution.

Claims 31-48, 57 and 59-60 are rejected under 35 U.S.C. 103(a) as being unpatentable over Applicant's admitted prior art, in view of Albanese, and further in view of Melkomian.

Regarding claim 31, the Applicant's own admitted prior art discloses a method for

implementing a forward conversion strategy (page 3, line 4), the method comprising:

Receiving securities orders for at least one security, wherein the securities orders

comprise a long stock order, a long put order, and a short call order (page 3, lines 4-6);

and

Transferring the received securities orders from a first entity to a second entity for

execution of the securities orders (page 3, lines 9-16).

The Applicant's own admitted prior art does not disclose where the method is

computer-implemented for automatically transferring securities. However, it would have

been obvious to a person of ordinary skill in the art at the time the invention was made

to have automated the forward conversion strategy because it would have created a

more efficient electronic method of trading, which was known, and the end result would

have been the same as compared to the manual method. *In re Venner, 262 F.2d 91, 95,*

1209 USPQ 193, 194 (CCPA 1958).

Applicant's admitted prior art does not disclose storing the securities orders in a

memory coupled to a first computer system or in a memory coupled to a second

computer system wherein the second computer system is coupled to the first computer

system over a computer network. However, Albanese discloses storing the securities

orders in a memory coupled to the first computer system or in a memory coupled to a

second computer system, and wherein the second computer system is coupled to the

first computer system over a computer network (page 5, paragraph 50; page 6,

paragraph 59). It would be obvious to one of ordinary skill in the art to implement

storage devices for storing trades amongst computers in a network as disclosed by Albanese with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be to create a more efficient real-time electronic method of trading with the same end result as compared to the manual method, in which computer memory devices are used to store inputted trades conducted over a network.

Applicant's admitted prior art does not disclose the method further comprising automatically updating the securities orders subsequent to execution of the securities orders, wherein the updating comprises storing a conversion commission for the executed securities orders. However, Melkomian discloses the method further comprising automatically updating the securities orders subsequent to execution of the securities orders (page 5, paragraph 68), wherein the updating comprises storing a conversion commission for the executed securities orders (it is old and well known that a commission fee is paid in associated with processing trades). It would be obvious to one of ordinary skill in the art to combine the updating of orders subsequent to execution as disclosed by Melkomian with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be that when the order is executed, updates to the order showing the order is filled, adding fees for processing the order, etc. would need to be added to the order and account and to be stored for reference for all parties involved.

Regarding claims 32 and 33, Applicant's admitted prior art does not disclose the method wherein the securities orders are received electronically from a single computer

driven input screen in real time. However, Albanese discloses the method wherein the securities orders are received electronically from a computer driven input screen (page 5, paragraph 50) in real-time (page 3, paragraphs 24 and 28-29).

Albanese does not disclose a single computer screen, however, it would be obvious to one of ordinary skill in the art that inputs could be received on any number of computer screens, including one. It would be obvious to one of ordinary skill in the art to combine the electronic receipt of securities orders as disclosed by Albanese with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be to create a more efficient real-time electronic method of trading with the same end result as compared to the manual method.

Regarding claims 34-36, neither Applicant's admitted prior art nor Albanese does not disclose the method wherein automatically transferring the received securities orders occurs within thirty minutes of receiving the securities orders, where automatically updating the securities orders occurs in real-time or within thirty minutes of execution of the securities orders. However, Melkomian discloses the method wherein automatically transferring the received securities orders occurs within thirty minutes of receiving the securities orders, where automatically updating the securities orders occurs in real-time or within thirty minutes of execution of the securities orders (page 7, paragraph 99; page 9, paragraphs 115 and 119; page 10, paragraphs 136 and 138).

It would be obvious to one of ordinary skill in the art to combine transfer and updates within 30 minutes as disclosed by Melkomian with the forward conversion strategy for trading and real-time trading as disclosed by the Applicant and Albanese. The motivation would be that to maintain and implement a real-time trading system, transfers and updates would need to be done in real-time, certainly within 30 minutes, in order to actually be a real-time trading system. A delay would invalidate the system as a real-time trading system.

Regarding claim 37, Applicant's admitted prior art does not disclose the method wherein the computer network comprises the Internet. However, Albanese discloses the method wherein the computer network comprises the Internet (page 6, paragraph 59). It would be obvious to one of ordinary skill in the art to combine the use of the Internet as disclosed by Albanese with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be that the Internet is a communication tool recognized globally as a network device for individuals to engage in real-time automatic electronic trading.

Regarding claim 38, The Applicant's own admitted prior art does not disclose where the updating further comprises storing an execution time for the executed securities orders. However, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to have automated recording an execution time because it would have created a more efficient electronic method of time-stamping

a transaction, which was known, and the end result would have been the same as compared to the manual method. *In re Venner, 262 F.2d 91, 95, 1209 USPQ 193, 194 (CCPA 1958).*

Regarding claim 39, neither the Applicant's own admitted prior art nor Albanese disclose the method further comprising automatically displaying the updated securities orders on the first computer screen. However, Melkomian discloses the method further comprising automatically displaying the updated securities orders on the first computer screen (page 5, paragraph 68; page 7, paragraph 99; page 10, paragraph 136).

It would be obvious to one of ordinary skill in the art to combine displaying updates as disclosed by Melkomian with the forward conversion strategy for trading and real-time trading as disclosed by the Applicant and Albanese. The motivation would be that updates need to be available to viewing by all parties and displaying updates enables individuals to know the most current status of an order.

Regarding claims 40-42, neither the Applicant's own admitted prior art nor Albanese disclose the method wherein the second entity automatically updates the securities orders, and further comprising transmitting the updated securities order to one or more post-execution entities, where in the one or more post-execution entities comprise a clearing firm. However, Melkomian discloses the method wherein the second entity automatically updates the securities orders, and further comprising transmitting the updated securities order to one or more post-execution entities, where

in the one or more post-execution entities comprise a clearing firm (page 5, paragraphs 68-70). It would be obvious to one of ordinary skill in the art to combine a second entity updating and transmitting the order to a clearing house as disclosed by Melkomian with the forward conversion strategy for trading as disclosed by the Applicant and Albanese. The motivation would be that orders are processed through clearing firms and as part of the electronic trading system, would automatically be transmitted for processing following the execution.

Regarding claim 43, the Applicant's own admitted prior art discloses the method wherein transferring the received securities orders further comprises:

Transferring the received securities orders from the first entity to one or more intermediate entities; and transferring the received securities orders from the one or more intermediate entities to the second entity for execution of the securities orders (page 3, lines 9-16).

The Applicant's own admitted prior art does not disclose where the method is automatic for transferring securities. However, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to have automated the transferring of securities orders because it would have created a more efficient electronic method of trading, which was known, and the end result would have been the same as compared to the manual method. *In re Venner, 262 F.2d 91, 95, 1209 USPQ 193, 194 (CCPA 1958).*

Regarding claims 44-46, the Applicant's own admitted prior art discloses the

method wherein the one or more intermediate entities comprise a broker and wherein

the first entity comprises a trader and wherein the second entity comprises a dealer on

a floor of an exchange (page 3, lines 11-16).

Regarding claims 47 and 48, the Applicant's own admitted prior art discloses the

method wherein the exchange comprises a stock exchange and an options exchange

(page 2, line 30-page 3, line 16) in which both securities and options are being traded.

Regarding claim 57, Applicant's admitted prior art does not disclose the method

wherein the orders are received and transferred entirely electronically, with no verbal

communication. However, Albanese discloses the method wherein the orders are

received and transferred entirely electronically, with no verbal communication (page 2,

paragraphs 13-14 and 21; page 3, paragraphs 24-29). It would be obvious to one of

ordinary skill in the art to combine the use of electronic transfers as disclosed by

Albanese with the forward conversion strategy as disclosed by the Applicant. The

motivation would be to create an electronic trading system in which transactions could

be conducted in real-time over the network and Internet for improved trading efficiency.

Regarding claims 59 and 60, Applicant's admitted prior art does not disclose a

computer system or carrier medium comprising instructions executable to carry out and

implement the method of claim 1. However, Albanese discloses a computer system or

carrier medium comprising instructions executable to carry out and implement the method of claim 1 (page 5, paragraph 50).

It would be obvious to one of ordinary skill in the art to combine the computer system and carrier medium with program instructions as disclosed by Albanese with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be to create an automated electronic trading system to increase efficiency over a manual process, as implemented across the trading industry.

Claims 19-26 and 28-30 are rejected under 35 U.S.C. 103(a) as being unpatentable over Applicant's admitted prior art as applied to claim 1 above, and further in view of Pub. No. US 2002/0194115 A1 to Nordlicht et al. (further referred to as Nordlicht).

Regarding claims 19-26, Applicant's admitted prior art does not disclose the method wherein a long stock orders comprises a long stock symbol, quantity, and price; wherein the long put order comprises an option symbol, expiration month, strike price, number of contracts, an options exchange and long put buy price; wherein the short call order comprises an option symbol, expiration month, strike price, number of contracts, an options exchange and short call sell price.

However, Nordlicht discloses the method wherein a long stock orders comprises a long stock symbol, quantity, and price; wherein the long put order comprises an option symbol, expiration month, strike price, number of contracts, an options exchange and

long put buy price; wherein the short call order comprises an option symbol, expiration month, strike price, number of contracts, an options exchange and short call sell price (page 1, paragraphs 2-4 and 7; page 5, paragraph 74-75; page 6, paragraph 83 and chart; page 7, paragraph 97; page 8, paragraphs 102 and 111).

It would be obvious to one of ordinary skill in the art to combine the defining of prices, symbols, expiration months, strike prices and number of contracts when creating an order as disclosed by Nordlicht with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be to use well known characteristics for submitting a trade such that a common industry format for interacting with other investors would be adopted for promoting ease of communication and for facilitating trade using known and required fields.

Regarding claim 28, Applicant's admitted prior art does not disclose the method further comprising verifying at least one potion of the securities order. However, Nordlicht discloses disclose the method further comprising verifying at least one potion of the securities order (Figure 1 – Order Validation; page 3, paragraphs 46 and 48). It would be obvious to one of ordinary skill in the art to perform one element of order validation as disclosed by Nordlicht with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be to verify that the user was a valid user and that the order was free of at least one error, to prevent processing errors, when in the automated electronic trading system.

Regarding claims 29 and 30, Applicant's admitted prior art does not disclose a computer system or carrier medium comprising instructions executable to carry out and implement the method of claim 1. However, Nordlicht discloses a computer system or carrier medium comprising instructions executable to carry out and implement the method of claim 1 (page 2, paragraph 29 – page 3, paragraph 34).

It would be obvious to one of ordinary skill in the art to combine the computer system and carrier medium with program instructions as disclosed by Nordlicht with the forward conversion strategy for trading as disclosed by the Applicant. The motivation would be to create an automated electronic trading system to increase efficiency over a manual process, as implemented across the trading industry.

Claims 49-56 and 58 are rejected under 35 U.S.C. 103(a) as being unpatentable over Applicant's admitted prior art, Albanese, and Melkomian as applied to claim 31 above, and further in view of Nordlicht.

Regarding claims 49-56, neither Applicant's admitted prior art nor Albanese nor Melkomian disclose the method wherein a long stock orders comprises a long stock symbol, quantity, and price; wherein the long put order comprises an option symbol, expiration month, strike price, number of contracts, an options exchange and long put buy price; wherein the short call order comprises an option symbol, expiration month, strike price, number of contracts, an options exchange and short call sell price.

However, Nordlicht discloses the method wherein a long stock orders comprises a long stock symbol, quantity, and price; wherein the long put order comprises an option symbol, expiration month, strike price, number of contracts, an options exchange and long put buy price; wherein the short call order comprises an option symbol, expiration month, strike price, number of contracts, an options exchange and short call sell price (page 1, paragraphs 2-4 and 7; page 5, paragraph 74-75; page 6, paragraph 83 and chart; page 7, paragraph 97; page 8, paragraphs 102 and 111).

It would be obvious to one of ordinary skill in the art to combine the defining of prices, symbols, expiration months, strike prices and number of contracts when creating an order as disclosed by Nordlicht with the forward conversion strategy for trading and real-time automatic trading as disclosed by the Applicant, Albanese and Melkomian. The motivation would be to use well known characteristics for submitting a trade such that a common industry format for interacting with other investors would be adopted for promoting ease of communication and for facilitating trade using known and required fields.

Regarding claim 58, neither Applicant's admitted prior art nor Albanese nor Melkomian disclose the method further comprising verifying at least one potion of the securities order. However, Nordlicht discloses disclose the method further comprising verifying at least one potion of the securities order (Figure 1 – Order Validation; page 3, paragraphs 46 and 48). It would be obvious to one of ordinary skill in the art to perform one element of order validation as disclosed by Nordlicht with the forward conversion

strategy and real-time trading as disclosed by the Applicant, Albanese and Melkomian.

The motivation would be to verify that the user was a valid user and that the order was

free of at least one error, to prevent processing errors, when in the automated electronic

trading system.

Claims 67 and 68 are rejected under 35 U.S.C. 103(a) as being unpatentable

over Albanese.

Regarding claim 67, Albanese discloses the system wherein upon execution

completion, information is recorded (page 5, paragraph 50). Albanese does not

specifically disclose where the information includes a commission. Official Notice is

taken that it is old and well known within the financial trading industry to charge

commissions for performing trades. Therefore, it would have been obvious to one

having ordinary skill in the art to include a commission fee and make it a part of the

record of trade. The motivation would be to provide documentation for the entire

transaction involved in the trading process.

Regarding claim 68, Albanese does not disclose where the updating further

comprises storing an execution time for the executed securities orders. However, it

would have been obvious to a person of ordinary skill in the art at the time the invention

was made to have automated recording an execution time because it would have

created a more efficient electronic method of time-stamping a transaction, which was

known, and the end result would have been the same as compared to the manual

method. *In re Venner, 262 F.2d 91, 95, 1209 USPQ 193, 194 (CCPA 1958).*

Conclusion

Any inquiry concerning this communication should be directed to Jennifer

Liversedge whose telephone number is 571-272-3167. The examiner can normally be

reached on Monday – Friday, 8:30 – 5 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Sam Sough can be reached at 571-272-6799. The fax number for the

organization where the application or proceeding is assigned is 571-273-8300.

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Jennifer Liversedge

Examiner

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